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The Deputy Director of Central Intelligence

Washington, D.C. 20505

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MEMORANDUM

SUBJECT: Gorbachev's Gameplan: The Long View (S)

The December Summit and INF Treaty are important achievements for the Administration and for Gorbachev. Yet, while there is substantial uncertainty about the US strategy toward the USSR beyond 1988, Gorbachev's gameplan potentially can be played out over a prolonged period -- thus giving him and the USSR a significant advantage. His long range strategy is an important backdrop for the Summit. Understanding it is essential to maintaining perspective during and after the meeting and to identifying both pitfalls and opportunities. (S)

our concern with Soviet don't give too much credit for long range thought

Domestic Imperatives

There is general agreement among the Soviet leaders on the need to modernize their economy -- not so much for its own sake or to make Soviet citizens more prosperous but to strengthen the USSR at home, to further their own personal power, and to permit the further consolidation and expansion of Soviet power abroad. They differ as to the pace of change and whether economic modernization also requires a loosening of political controls. Gorbachev thinks so; many on the Politburo either disagree or harbor serious reservations. (S)

There is also general agreement in the Politburo that economic modernization requires a benign international environment. The Soviets' need to relax tensions is critical because only thus can massive new expenditures for defense be avoided and Western help in economic development be obtained. The roots of Gorbachev's dynamic foreign policy are to be found at home and in the need for a prolonged breathing space. (S)

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Foreign Policy Consequences

The elements of foreign policy that spring from domestic economic weakness are a mix of new initiatives and longstanding policies.

1. Gorbachev wants to establish a new and far-reaching detente in the late 1980s to obtain technology, investment, trade and, above all, to avoid major new military expenditures while the Soviet economy is revived. Gorbachev must slow or stop American military modernization, especially SDI, that threatens not only Soviet strategic gains of the last generation but which also, if continued, will force the USSR to devote huge new resources to the military in a high technology competition for which they are ill-equipped. The Soviets know that detente in the early 1970s contributed significantly to downward pressure on Western defense budgets, nearly halted military modernization, weakened resolve to counter Soviet advances in the Third World, and opened to the USSR new opportunities for Western technology and economic relations. (S)

2. A less visible but enduring element of foreign policy -- even under Gorbachev -- is the continuing extraordinary scope and sweep of Soviet military modernization and weapons research and development. Despite Soviet rhetoric, we still see no lessening of their weapons production. And, further, Soviet research on new, exotic weapons such as lasers and their own version of SDI continues apace. Virtually all of their principal strategic weapons will be replaced with new, more sophisticated systems by the mid-1990s, and a new bomber is being added to their arsenal for the first time in decades. Their defenses against US weapons are being steadily improved, as are their capabilities for war-fighting -- command, control, communications and leadership protection. As our defense budget declines again, theirs continues to grow, slowly but steadily. Gorbachev is prepared to explore -- and, I think, reach -- significant reductions in weapons, but only in ways that protect existing Soviet advantages, leave open alternative avenues of weapons development, offer commensurate political gains, or take maximum advantage of US unilateral restraint or constraints (such as our unwillingness in the 1970s to build a limited ABM as permitted by the treaty). (S)

3. The third element of Gorbachev's foreign policy is continued protection of Soviet clients in the Third World. Under Gorbachev, the Soviets and Cubans are now providing more than a billion dollars a year in economic and military assistance to Nicaragua; more than a billion dollars worth of military equipment was sent to Vietnam, Laos and Cambodia in the first six months of this year; more than four billion dollars in military equipment has been sent to Angola since 1984. And, of course, Cuba gets about five billion dollars in Soviet support each year. At a time of economic stress at home, these commitments speak volumes about Soviet priorities. (S)

4. The fourth element of Gorbachev's foreign policy is new and dynamic diplomatic initiatives to weaken ties between the US and its Western allies, China, Japan, and the Third World; to portray the Soviet government as committed to arms control and peace; and to suggest Moscow's interest in diplomatic solutions to Afghanistan and Cambodia. In Europe, Gorbachev through INF is trading a modest military capability for what he sees as a significant political gain. We can and should expect new and bolder initiatives including conventional force reductions -- possibly unilateral -- that will severely test Alliance cohesion. Similarly, new initiatives with China and Japan will be attempted to overcome bilateral obstacles to improved relations and to exploit problems between them and the US. And, in the Third World, they will seek to take advantage of any relaxation of US vigilance or constancy. (S)

Conclusions

There clearly are great changes underway inside the Soviet Union and in Soviet diplomacy. Yet, it is hard to detect fundamental changes, currently or in prospect, in the way the Soviets govern at home or in their principal objectives abroad. The Party certainly will retain its monopoly of power and the basic structures of the Stalinist economy will remain. A major purpose of economic modernization -- as in Russia in the days of Peter the Great -- remains the further increase in Soviet military power and political influence. (S)

These enduring characteristics of Soviet governance at home and policy abroad make it clear that -- while the changes underway offer opportunities for the United States in arms control, Afghanistan and other areas -- Gorbachev intends improved Soviet economic performance, greater political vitality at home, and more dynamic diplomacy to make the USSR a more competitive and stronger adversary in the years ahead. (S)

Westerners for centuries have hoped repeatedly that Russian economic modernization and political reform -- even revolution -- signaled an end to despotism and the beginning of Westernization. Repeatedly since 1917, the West has hoped that domestic changes in the USSR would lead to changes in Communist coercive rule at home and aggressiveness abroad. These hopes, dashed time and again, have been revived by Gorbachev's domestic agenda, innovative foreign policy and personal style. (S)

While Gorbachev arrives in Washington after a serious political setback, at 57 he can afford to take the long view: he will likely be in power long after his adversaries at home and abroad have moved off the world stage. His domestic needs and foreign policy initiatives offer the United States significant opportunities but they must be seized with an appreciation of Gorbachev's long range perspective and strategy as well as with realism (particularly with respect to our very limited ability to influence internal developments in the Soviet Union). And, somehow, amid the inevitable media extravaganza of the Summit, a sober -- even somber -- reminder of the enduring features of the regime and the still long competition and struggle ahead will be needed. (S)

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Robert M. Gates

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